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Press Release | Contact: Danielle Langone (202) 225-6416

WASHINGTON, DC—U.S. Congressman Peter DeFazio voted today against H.R. 5638, a Republican bill that would permanently cut the tax on estates of the wealthiest Americans. Currently, the estate tax only affects estates worth over \$4 million. The Internal Revenue Service estimates that approximately 165 Oregon estates are affected by this tax. In order to put this tax cut into effect, taxpayers will be forced to borrow \$762 billion over ten years.

"At a time of rising gas prices, health care costs and college tuition, it is insulting to the American people to ask them to pay for a tax cut for those who need it the least, and that's exactly what this bill does," DeFazio said. "It's particularly egregious considering Republican leaders also blocked a minimum wage increase today. I guess the heirs of multimillionaires are more of a priority than Americans struggling by at the minimum wage.

"Our federal budget is already in deficit by \$500 billion this year, with deficits projected to total \$2.2 trillion over the next 10 years. We are spending \$223 million a day on operations in Iraq and Afghanistan. Congress has already significantly shortchanged important programs like education and veterans' health care this year. Now is not the time to throw fiscal responsibility to the wind and enact extravagant tax cuts."

H.R. 5638 would increase the amount of assets exempt from the estate tax to \$10 million for couples. It would also dramatically lower the maximum tax rate. Fewer than 100 Oregon estates and 7,500 estates nationally will benefit from this bill annually. Forty-three percent of the tax cut will benefit estates worth \$20 million or more; three-quarters of the cut will go toward estates worth \$10 million or more. With the approval of this bill, the average effective estate tax rate would be lower than the federal payroll and income tax rates that workers typically face. Under this proposal, someone with an estate worth \$25 million would pay a lower tax rate than a teacher earning an annual salary of \$35,000.

